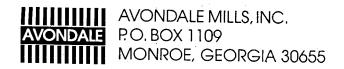
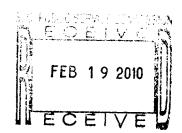
22955 2009-342-WS





February 1, 2010



Mr. Joe A. Taylor 105 Laurel Drive Graniteville, SC 29829

Dear Mr. Taylor:

We are in receipt of your undated letter addressed to the Avondale Mills Graniteville/Vaucluse Water & Sewer System regarding your previous irrigation water account number 3815. We believe that the letter was left in our drop box with your payment of \$561.18 on January 25, 2010.

We are sorry that you considered our letter of December 11, 2009 to be harassing and threatening. Our letter simply asked that payment be made for July, August and September billings on your account that were months past due or that you contact us to make payment arrangements. We further note that you had previously asked in September 2009 that your account be terminated without making payments or other arrangements to satisfy the outstanding balance.

We agree that the South Carolina Public Service Commission (the "PSC") issued its order asking that Avondale allow customers to pay 50% of their July 2009 bills in December 2009 and the remaining 50% in January 2010. However, even with adherence to the PSC's order, your account was grossly past due at the time of our December 11, 2009 letter.

At December 11, 2009, your account balance included your July bill of \$492.25, your August bill of \$204.10 and your September bill of \$24.83, or a total of \$721.18 for metered water service that had been provided to you. You had previously made a payment of \$64.00 against this balance. We added a \$4.00 notification fee as allowed by the PSC for attempts to collect past due balances. Therefore, as noted in our letter of December 11, 2009, your delinquent balance at that time totaled \$661.18. If you reduce this by the 50% of your July bill payable per the PSC in January, your delinquent balance payable in December 2009 was still \$415.05. Against this delinquent balance, you paid \$100.00 in December, leaving a total balance past due of \$561.18.

We appreciate your payment of the remaining \$561.18 on January 25, 2010. We further note that you have a remaining balance of \$4.00 which represents the fee that the

PSC allows us in notifying you of past due balances. Please note that this is not a late fee or interest on your account as Avondale has never charged those to its customers.

If you have further questions concerning this matter, please feel free to contact me.

Sincerely,

Jack R. Altherr, Jr.

President & CEO Avondale Mills, Inc.

Cc: South Carolina Public Service Commission South Carolina Office of Regulatory Staff Representative Roland Smith Representative Tom Young Senator Shane Massey